

REG-17-001 SCOPE, APPLICATION, AND VALUATIONS

001.01 Nebraska inheritance tax applies to bequests, devises, or transfers of property or any other interest in trust or otherwise having characteristics of annuities, life estates, terms for years, remainders, or reversions. Nebraska inheritance tax is computed on the fair market value of such annuities, life estates, terms for years, remainders, and reversions. The fair market value is the present value as determined under the provisions of the Internal Revenue Code of 1954, as amended, and its applicable regulations with respect to estate tax. The present value of the annuities, life estates, terms for years, remainders, and reversions is determined under 26 C.F.R. 20.2031-7 (1983) or 26 C.F.R. 25.2512-9 (1975) or as subsequently revised. The value of annuities issued by companies regularly engaged in their sale, and of insurance policies on the lives of persons other than the decedent, is determined under 26 C.F.R. 20.2031-8 (1975) or as subsequently revised.

001.02

001.02A The present value of an annuity, life estate, remainder, or reversion which is dependent upon the continuation or termination of the life of one person is computed by the use of Table A - Single Life, Unisex, Ten Percent Showing the Present Worth of an Annuity, of a Life Interest, and of a Remainder Interest, found in 26 C.F.R. 20.2031-7 (1983) or as subsequently revised.

001.02B The present value of an annuity, term for years, remainder, or reversion dependent upon a term certain is computed by the use of Table B - Table Showing the Present Worth at Ten Percent of an Annuity for a Term Certain, of an Income Interest For a Term

Certain, and of a Remainder Interest Postponed For a Term Certain, found in 26 C.F.R. 20.2031-7 (1983) or as subsequently revised. If the interest to be valued is dependent upon more than one life or there is a term certain concurrent with one or more lives, see Reg- 17-005.

001.02C For purposes of the computations described in this section, the age of a person is to be taken as the age of that person at his nearest birthday.

(Section 77-2008, R.R.S. 1943. December 4, 1984.)